

SYKES ENTERPRISES INC

FORM S-3

(Securities Registration Statement (simplified form))

Filed 05/04/99

Address	400 NORTH ASHLEY DRIVE TAMPA, FL 33602
Telephone	8132741000
CIK	0001010612
Symbol	SYKE
SIC Code	7373 - Computer Integrated Systems Design
Industry	Computer Networks
Sector	Technology
Fiscal Year	12/31

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Filed 5/4/1999

Address	100 NORTH TAMPA ST STE 3900 TAMPA, Florida 33602
Telephone	813-274-1000
CIK	0001010612
Industry	Computer Networks
Sector	Technology
Fiscal Year	12/31

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM S-3

REGISTRATION STATEMENT
Under
THE SECURITIES ACT OF 1933

SYKES ENTERPRISES, INCORPORATED

(Exact name of registrant as specified in its charter)

Florida
(State of Incorporation)

56-1383460
(I.R.S. Employer Identification No.)

100 North Tampa Street, Suite 2700
Tampa, Florida 33602, Telephone (813) 274-1000

(Address, including zip code, and telephone number, including area code,
of registrant's principal executive offices)

Scott J. Bendert
Senior Vice President - Finance, Treasurer, and Chief Financial Officer
Sykes Enterprises, Incorporated
100 North Tampa Street, Suite 2700, Tampa, Florida 33602, (813) 274-1000
(Name, address, including zip code, and
telephone number, of agent for service)

With a copy to:
Martin A. Traber, Esq.
Foley & Lardner
100 North Tampa Street, Suite 2700
Tampa, Florida 33602
(813) 274-1000

APPROXIMATE DATE OF COMMENCEMENT OF PROPOSED SALE TO THE PUBLIC: From time to time after the effective date of this
Registration Statement as determined by market conditions and other factors.

If the only securities being registered on this form are being offered pursuant to dividend or interest reinvestment plans, please check the
following box.

If any of the securities being registered on this form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the
Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following
box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities
Act registration statement number of the earlier effective registration statement for the same offering.

If delivery of the prospectus is expected to be made pursuant to Rule 434, please check the following box.

CALCULATION OF REGISTRATION FEE

Title of Shares to be registered	Amount to be Registered	Proposed Maximum Offering Price Per Share(1)	Proposed Maximum Aggregate Offering Price (1)	Amount of Registration Fee
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Common Stock, \$.01 par value	983,332	\$22.15625	\$21,786,950	\$6,056.78
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(1) Calculated pursuant to Rule 457(c). The proposed maximum offering price per share and the proposed maximum aggregate offering price are based on \$22.15625, the average of the high and low sale prices on May 3, 1999, of the Common Stock as reported on the Nasdaq National Market.

THE REGISTRANT HEREBY AMENDS THIS REGISTRATION STATEMENT ON SUCH DATE OR DATES AS MAY BE NECESSARY TO DELAY ITS EFFECTIVE DATE UNTIL THE REGISTRANT SHALL FILE A FURTHER AMENDMENT WHICH SPECIFICALLY STATES THAT THIS REGISTRATION STATEMENT SHALL THEREAFTER BECOME EFFECTIVE IN ACCORDANCE WITH SECTION 8(a) OF THE SECURITIES ACT OF 1933 OR UNTIL THE REGISTRATION STATEMENT SHALL BECOME EFFECTIVE ON SUCH DATE AS THE COMMISSION, ACTING PURSUANT TO SAID SECTION 8(a), MAY DETERMINE.

PROSPECTUS

983,332 Shares

SYKES ENTERPRISES, INCORPORATED

Common Stock

The selling shareholders identified in this prospectus are offering 983,332 shares. Sykes will not receive any of the proceeds of the sale of shares by the selling shareholders.

Sykes' common stock is traded on the Nasdaq National Market under the Symbol "SYKE." On May 3, 1999, the last reported sale price for the common stock on the Nasdaq National Market was \$21.75 per share.

Investing in the common stock involves risks.

See "Risk Factors" beginning on page 3.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.

Prospectus dated _____, 1999

SYKES

We are a global leader in providing vertically integrated technology-based solutions through an integrated strategy combining our information technology ("IT") services with an emerging global e-commerce platform. We continue to leverage our position as a leading provider of information technology services by assisting our clients in capitalizing on the growth of e-commerce over the Internet. Our e-commerce service platform enables us to comprehensively continue to expand by serving as a single-source provider of Internet-based technology solutions throughout the life cycle of a customer's e-commerce needs. Through our 29 IT call centers and other offices and e-commerce distribution centers located in the United States, Canada, Europe, Africa, and The Philippines, we provide services to leading computer hardware and software companies by providing technical support to end users of their products and to major companies by providing corporate help desk and additional business services. Through SHPS, Incorporated, a wholly-owned subsidiary, we also provide on-line clinical managed care services, medical protocol products, and employee benefit administration and support services. The integration of our existing technology services with our emerging global e-commerce platform enables our customers to take full advantage of increasing customer loyalty, business expansion and effectiveness, all while lowering their total costs. Sykes' customers include Adobe Systems, Apple Computer, Compaq, Compuserve, Gateway, Hewlett Packard, IBM, Intel, Microsoft, and Motorola.

We have built 11 of our 14 domestic IT call centers. Each of these IT call centers, and an additional IT call center currently under construction, is a stand-alone facility modeled after the same prototype, which enables us to construct new IT call centers rapidly and cost effectively. Our strategy of locating domestic IT call centers in smaller communities, typically near a college or university, has enabled us to benefit from a relatively lower cost structure and a technically proficient, stable work force.

SHPS, a wholly-owned subsidiary of Sykes, is a single-source provider of care management services and employee benefits administration services through technology solutions and call center-based operations. SHPS' customers include large corporations, healthcare providers, payors, and insurance companies. SHPS' care management services are designed to enhance the quality of an individual's overall healthcare by carefully evaluating clinically-based solutions to help patients, physicians, and healthcare providers and payors select appropriate and efficient medical treatment while providing the opportunity to reduce overall medical expenditures. SHPS' employee benefits administration services enable customers to outsource the administration of their employee benefit programs.

We believe that our ability to work in partnership with our customers during the life cycle of their information technology products gives us a competitive advantage to become a preferred provider of outsourced IT services to our customers. These life-cycle services, integrated with our e-commerce service platform, include software design, integration, and implementation, technical documentation, electronic and physical product distribution, foreign language translation, end-user technical product support, and our comprehensive suite of e-commerce services.

We believe that outsourcing by information technology companies and companies with information technology needs will continue to grow as businesses focus on their core competencies rather than nonrevenue producing activities. Additionally, rapid technological changes, significant growth in conducting business over the Internet, continual capital requirements for state-of-the-art technology, and the need to integrate and update complex information technology systems spanning multiple generations of hardware and software components make it increasingly difficult for businesses to maintain cost-effective, quality information technology services in-house. Our strategy includes the following key elements:

- * Continue the significant growth of our support service revenues through additional IT call centers on a global basis;
- * Rapidly expand our e-commerce service platform revenues by serving as a single-source provider of solutions throughout the life cycle of a customer's e-commerce needs;
- * Market our array of services to existing customers to position Sykes as a preferred vendor;
- * Establish a competitive advantage through our sophisticated technological capabilities; and
- * Further penetration into vertically integrated markets; and
- * Expand our global presence through strategic alliances and selective acquisitions.

We were founded in 1977 in North Carolina and moved our headquarters to Florida in 1993. In March 1996, we changed our state of incorporation from North Carolina to Florida. Our headquarters are located at 100 North Tampa Street, Suite 3900, Tampa, Florida 33602, and our phone number is (813) 274-1000.

RISK FACTORS

An investment in the common stock involves certain risks. Before investing in the shares, you should carefully consider the risks described below and the other information included in or incorporated by reference into this prospectus. The risks and uncertainties described below are not the only ones facing Sykes. Additional risks and uncertainties not currently known to us or that we currently do not believe are material also may affect us. If any of these risks actually occur, our business, financial condition, and results of operation could be harmed. This could cause the trading price of our common stock to decline, and you may lose part or all of your investment.

This prospectus and documents incorporated by reference into this prospectus contain forward-looking statements that involve risks and uncertainties. The words "intend," "anticipate," "believe," "seeks," "estimate," "plan," and "expect" and similar expressions identify these forward-looking statements. These forward-looking statements are not guaranties of future performance and are subject to a number of risks and uncertainties, including those discussed below and elsewhere in this prospectus and the documents incorporated by reference into this prospectus. Our actual results could differ materially from those forward-looking statements.

Potential Difficulties in Integrating Recent Acquisitions and Identifying, Consummating and Integrating Future Acquisitions

Sykes has completed nine acquisitions since January 1, 1997, with three acquisitions completed during 1998. In addition, a key element of Sykes' strategy is to expand its customer base through strategic alliances and selective acquisitions. To date, Sykes has not experienced significant unforeseen difficulties in integrating any of these acquisitions. Nevertheless, each of these acquisitions has resulted in a diversion of management's attention to the integration of the acquired business. There can be no assurance that Sykes will be able to successfully integrate the operations and management of recent acquisitions and future acquisitions.

Acquisitions involve significant risks that could have a material adverse effect on Sykes. These risks generally apply to any company that recently has completed acquisitions and include the following:

- * the diversion of management's attention to the integration of the businesses to be acquired;
- * the risk that the acquired businesses will fail to maintain the quality of services that Sykes has historically provided;
- * the need to implement financial and other systems and add management resources;
- * the risk that key employees of the acquired business will leave after the acquisition;
- * potential liabilities of the acquired business;
- * unforeseen difficulties in the acquired operations;
- * adverse short-term effects on Sykes' operating results;
- * lack of success in assimilating or integrating the operations of acquired businesses with those of Sykes;
- * the dilutive effect of the issuance of additional equity securities;
- * the incurrence of additional debt; and
- * the amortization of goodwill and other intangible assets involved in any acquisitions that are accounted for using the purchase method of accounting.

Sykes future growth may depend to some extent on its ability to successfully complete strategic acquisitions to expand or complement its existing operations. Therefore, Sykes intends to continue to pursue acquisitions. Sykes may not be able to identify, consummate, or successfully integrate future acquisitions.

Thus, Sykes might not be able to successfully implement its acquisition strategy. Furthermore, there can be no assurance acquired entities will achieve levels of revenue and profitability or otherwise perform as expected, or be consummated on acceptable terms to enhance shareholder value. Sykes continues to monitor acquisition opportunities.

Growth Places Significant Demand on Sykes' Management and Other Resources

Sykes has rapidly expanded its operations since it began providing information technology support services through its IT call centers in 1994 and anticipates continued growth to be driven by industry trends toward outsourcing of such services. There can not be any assurance that Sykes will be able to effectively manage its expanding operations or maintain its profitability. This growth has placed, and is expected to continue to place, significant demands on Sykes' management, information and processing systems, and internal controls. These resources

could be further strained from the opening of new IT call centers and the necessity to successfully attract and retain qualified management personnel to manage the growth and operations of Sykes' business to meet such demands. Sykes intends to continue to hire new employees and develop further its financial and managerial controls and reporting systems and procedures to accommodate any future growth. Failure to expand any of the areas mentioned in an efficient manner could have a material adverse effect on Sykes' business, financial condition, and results of operation.

Rapid Technological Change

The market for information technology services is characterized by rapid technological advances, frequent new product introductions and enhancements, and changes in customer requirements. Sykes' future success will depend in large part on its ability to service new products, platforms, and rapidly changing technology. These factors will require Sykes to provide adequately trained personnel to address the increasingly sophisticated, complex and evolving needs of its customers. In addition, Sykes' ability to capitalize on its acquisitions will depend on its ability to continually enhance software and services and adapt such software to new hardware and operating system requirements. Any failure by Sykes to anticipate or respond rapidly to technological advances, new products and enhancements, or changes in customer requirements could have a material adverse effect on Sykes' business, financial condition and results of operations.

Dependence on Key Customers

Sykes derives a substantial portion of its revenues from a few clients. Sykes' largest ten customers accounted for approximately 42%, 40%, and 41% of its consolidated revenue for the years ended December 31, 1996, 1997, and 1998, respectively. Revenue from a single customer comprised 12% and 10% of Sykes' consolidated revenues for the years ended December 31, 1996 and 1997, respectively. No single customer accounted for 10% of revenues for the year ended December 31, 1998. Sykes' loss of, or the failure to retain a significant amount of business with, any of its key customers could have a material adverse effect on Sykes' business, financial condition and results of operations. Generally, Sykes' contracts with its customers are cancelable by the customer at any time or on short-term notice, and customers may unilaterally reduce their use of Sykes' services under such contracts without penalty. Thus, Sykes' contracts with its customers do not ensure that Sykes will generate a minimum level of revenues.

Inability to Attract and Retain Experienced Personnel May Adversely Impact

Sykes' Business

Sykes' business is labor intensive and places significant importance on its ability to recruit, train, and retain qualified technical and professional personnel. Sykes generally experiences high turnover of its personnel and is continuously required to recruit and train replacement personnel as a result of a changing and expanding work force. Additionally, demand for qualified professionals conversant with certain technologies is intense and may outstrip supply as new and additional skills are required to keep pace with evolving computer technology. Sykes' ability to locate and train employees is critical to Sykes' ability to achieve its growth objective. Sykes' inability to attract and retain qualified personnel or an increase in wages or other costs of attracting, training, or retaining qualified personnel could have a material adverse effect on Sykes' business, financial condition and results of operations.

Reliance on Technology and Computer Systems

Sykes has invested significantly in sophisticated and specialized telecommunications and computer technology and has focused on the application of this technology to meet its clients' needs. Sykes anticipates that it will be necessary to continue to invest in and develop new and enhanced technology on a timely basis to maintain its competitiveness. Significant capital expenditures may be required to keep Sykes' technology up-to-date. There can be no assurance that any of Sykes' information systems will be adequate to meet its future needs or that Sykes will be able to incorporate new technology to enhance and develop its existing services. Moreover, investments in technology, including future investments in upgrades and enhancements to software, may not necessarily maintain Sykes' competitiveness. Sykes' future success will also depend in part on its ability to anticipate and develop information technology solutions which keep pace with evolving industry standards and changing client demands.

Year 2000 Risks

Date sensitive computer applications that currently record years in two-digit, rather than four-digit, format may be unable to properly categorize and process dates occurring after December 31, 1999. This is known as the "Year 2000 Problem." To the extent Sykes' software applications contain source codes that are unable to appropriately interpret the calendar year 2000, some level of modification or even possibly replacement of such applications may be necessary. Sykes has made a preliminary determination that it should not incur significant costs to make its software programs and operating systems Year 2000 compliant. If Year 2000 related failures were to occur in Sykes' computer and operating systems, however, Sykes could incur significant, unanticipated liabilities and expenses.

Sykes has initiated formal communications with all of its significant suppliers and large customers to determine the extent to which the Company's interface systems are vulnerable to those third parties' failure to remediate their own Year 2000 issues. In the event any third parties cannot timely provide the Company with contents, products, services or systems that are Year 2000 compliant, Sykes' services could be materially adversely affected.

Although Sykes expects its systems to be Year 2000 compliant on or before December 31, 1999, it cannot predict the outcome or the success of its efforts to become Year 2000 compliant, or that third party systems are or will be Year 2000 compliant, or that the costs required to address the Year 2000 problem, or that the impact of a failure to achieve substantial Year 2000 compliance, will not have a material adverse effect on the Company's business, financial condition or results of operations.

Dependence on Trend Toward Outsourcing

Sykes' business and growth depend in large part on the industry trend toward outsourcing information technology services. Outsourcing means that a company contract with a third-party, such as Sykes, to provide support services rather than perform such services in house. There can be no assurance that this trend will continue, as organizations may elect to perform such services themselves. A significant change in this trend could have a material adverse effect on Sykes' business, financial condition and results of operations. Additionally, there can be no assurance that Sykes' cross-selling efforts will cause its customers to purchase additional services from Sykes or adopt a single-source outsourcing approach.

Risk of Emergency Interruption of IT Call Center Operations

Sykes' operations are dependent upon its ability to protect its IT call centers and its information databases against damages that may be caused by fire and other disasters, power failure, telecommunications failures, unauthorized intrusion, computer viruses and other emergencies. The temporary or permanent loss of such systems could have a material adverse effect on Sykes' business, financial condition, and results of operations.

Sykes has taken precautions to protect itself and its customers from events that could interrupt delivery of its services. These precautions include off-site storage of backup data, fire protection and physical security systems, rerouting of telephone calls to one or more of its other IT call centers in the event of an emergency, backup power generators and a disaster recovery plan. Sykes also maintains business interruption insurance in amounts it considers adequate. Notwithstanding such precautions, there can be no assurance that a fire, natural disaster, human error, equipment malfunction or inadequacy, or other event would not result in a prolonged interruption in Sykes' ability to provide support services to its customers. Such an event could have a material adverse effect on Sykes' business, financial condition and results of operations.

Risks Associated with International Operations and Expansion

At December 31, 1998, Sykes' international operations were conducted from twelve IT call centers located in Sweden, The Netherlands, France, Germany, South Africa, Scotland, Ireland, and The Philippines. Revenues from foreign operations for the years ended December 31, 1996, 1997, and 1998, were 38.4%, 36.3% and 35.1% of consolidated revenues, respectively. Sykes intends to continue its international expansion. International operations are subject to certain risks common to international activities, such as changes in foreign governmental regulations, tariffs and taxes, import/export license requirements, the imposition of trade barriers, difficulties in staffing and managing foreign operations, political uncertainties, longer payment cycles, foreign exchange restrictions that could limit the repatriation of earnings, possible greater difficulties in accounts receivable collection, potentially adverse tax consequences, and economic instability.

Sykes conducts business in various foreign currencies and is therefore subject to the transaction exposures that arise from foreign exchange rate movements between the dates that foreign currency transactions are committed and the date that they are consummated. Sykes is also subject to certain exposures arising from the translation and consolidation of the financial results of its foreign subsidiaries. Sykes has from time to time taken limited actions to attempt to mitigate Sykes' foreign transaction exposure. However, there can be no assurance that actions taken to manage such exposure will be successful or that future changes in currency exchange rates will not have a material impact on Sykes' future operating results. Sykes does not hedge either its translation risk or its economic risk.

There can be no assurance that one or more of such factors or other factors relating to international operations will not have a material adverse effect on Sykes' business, results of operations or financial condition.

Existence of Substantial Competition

The markets for Sykes' services are highly competitive, subject to rapid change, and highly fragmented. While many companies provide information technology services, Sykes believes no one company is dominant. There are numerous and varied providers of such services, including firms specializing in call center operations, temporary staffing and personnel placement companies, general management consulting firms, divisions of large hardware and software companies and niche providers of information technology services, many of whom compete in only certain markets. Sykes' competitors include many companies who may possess substantially greater resources, greater name recognition and a more established customer base than it does. In addition to Sykes' competitors, the services offered by Sykes are often provided by in-house personnel. Increased competition, the failure of Sykes to compete successfully, pricing pressures, loss of market share and loss of clients could have a material adverse effect on Sykes' business, financial condition, and results of operation.

Many of Sykes' large customers purchase information technology services primarily from a limited number of preferred vendors. Sykes has experienced and continues to anticipate significant pricing pressure from these customers in order to remain a preferred vendor. These companies also require vendors to be able to provide services in multiple locations. Although Sykes believes it can effectively meet its customers' demands, there can be no assurance that it will be able to compete effectively with other information technology services companies. Sykes believes that the most significant competitive factors in the sale of its services include quality, reliability of services,

flexibility in tailoring services to client needs, experience, reputation, comprehensive services, integrated services and price.

Dependence on Senior Management

The success of Sykes is largely dependent upon the efforts, direction and guidance of its senior management. Sykes' continued growth and success also depend in part on its ability to attract and retain skilled employees and managers and on the ability of its executive officers and key employees to manage its operations successfully. Sykes has entered into employment and non-competition agreements with its executive officers. The loss of any of Sykes' senior management or key personnel, and, in particular, John H. Sykes, Chairman of the Board and Chief Executive Officer, or its inability to attract, retain or replace key management personnel in the future, could have a material adverse effect on Sykes' business, financial condition and results of operations.

Control by Principal Shareholder and Anti-Takeover Considerations

As of the date of this Prospectus, John H. Sykes, Sykes' Chairman of the Board and Chief Executive Officer, beneficially owned approximately 43.6% of Sykes' outstanding common stock. As a result, Mr. Sykes will be able to elect the Company's directors and determine the outcome of other matters requiring shareholder approval.

Sykes' Board of Directors is divided into three classes serving staggered three-year terms. The staggered Board of Directors and the anti-takeover effects of certain provisions contained in the Florida Business Corporation Act and in Sykes' Articles of Incorporation and Bylaws, including the ability of the Board of Directors of Sykes to issue shares of preferred stock and to fix the rights and preferences of those shares without shareholder approval, may have the effect of delaying, deferring or preventing an unsolicited change in the control of Sykes. This may adversely affect the market price of Sykes common stock or the ability of shareholders to participate in a transaction in which they might otherwise receive a premium for their shares.

Volatility of Stock Price May Result in Loss of Investment

Sykes common stock has experienced significant volatility since Sykes' initial public offering in April 1996. Sykes believes that market prices of information technology stocks in general have experienced volatility, which could affect the market price of Sykes' common stock regardless of Sykes' financial results or performance. Sykes further believes that various factors such as general economic conditions, changes or volatility in the financial markets, changing market conditions in the information technology industry, and quarterly or annual variations in Sykes' financial results, could cause the market price of the common stock to fluctuate substantially in the future.

Future Payment of Dividends Is Highly Unlikely

Sykes has never declared or paid any cash dividends on its common stock. Sykes currently anticipates that all of its earnings will be retained for development and expansion of its business and does not anticipate paying any cash dividends in the foreseeable future. Any payments of future dividends and the amounts thereof will be dependent upon Sykes' earnings, financial requirements and other factors deemed relevant by the Board of Directors.

Risks Associated with SHPS' Care Management Services and Employee Benefits Services

SHPS, a wholly-owned subsidiary of Sykes, is a provider of care management services and products and employee benefits administration and support services. In addition to the risks described above, SHPS is subject to the following specific risks:

Potential Risks of Care Management Contracts

Some SHPS' care management contracts contain "shared risk" provisions under which SHPS may be required to bear a portion of any loss in connection with such provisions. To the extent healthcare participants covered by such contracts require more frequent or extensive care than anticipated, SHPS would incur unexpected costs not offset by additional revenue, which would reduce operating margins. In the worst case, the revenue derived from such contracts may be insufficient to cover the cost of the services provided. Any such reduction or elimination of earnings could have a material adverse effect on SHPS' business, financial condition and results of operations.

Potential Legal Liability for Care Management

Participants in the healthcare industry have become subject to an increasing number of lawsuits alleging malpractice, product liability, bad faith, ERISA liability and other legal theories, including negligence in credentialing and utilization management, many of which involve large claims and significant legal costs. SHPS, through its utilization review services, makes recommendations concerning the appropriateness of providers' proposed medical treatment of patients and, as a result, it could be subject to liability arising from any adverse medical consequences. SHPS does not grant or deny claims for payment of benefits, and SHPS does not believe that it engages in the practice of medicine or the delivery of medical services. There can be no assurance, however, that SHPS will not be subject to claims or litigation related to granting or denying claims for payment of benefits or allegations that SHPS engages in the practice of medicine or the delivery of medical services. When a patient requires guidance in retaining physician services in their area, SHPS assists them in identifying appropriate providers. To the extent that those providers are deemed to be agents of SHPS, SHPS could be subject to liability regarding adverse medical consequences

or inappropriate provider selection. Additionally, due to the nature of its business, SHPS could become involved in litigation regarding the information provided telephonically by its clinical service staff, particularly in light of the emerging laws relating to telemedicine, which is the practice of performing medical diagnoses and treatment via telecommunications devices. See "-- Risks Relating to Telemedicine."

Additionally, to the extent that SHPS' clinical service staff could be deemed a provider of medical or clinical services, SHPS could be subject to claims of licensure violations, which could result in fines, suspension or loss of the right to do business in a particular state. In Arizona, the state court of appeals held that the state board of medicine, as the entity with authority to regulate the practice of medicine in Arizona, had jurisdiction to investigate complaints against a physician arising from his decisions authorizing or denying pre-certification of medical procedures as a medical director of a health plan. As a result of its investigation, the Arizona state board of medicine issued a "letter of concern." Unlike the physician in the Arizona case, the physicians and nurses employed by SHPS do not make final decisions regarding the authorization or denial of medical treatment. However, to the extent that their duties could be viewed as comparable, the physicians and nurses employed by SHPS could be deemed to be engaged in the corporate practice of medicine and subject to discipline by the state boards of medicine and nursing through which they are licensed, which could result in substantial penalties to SHPS, including administrative penalties such as fines, reprimands, criminal penalties, or an order to cease doing business, any of which could have a material adverse effect on SHPS.

SHPS also could incur liability as a fiduciary in respect of certain of the disability management services it provides. To reduce its exposure, SHPS maintains general liability insurance coverage up to \$2.0 million in the aggregate, product liability insurance coverage up to \$1.0 million in the aggregate, umbrella liability insurance coverage up to \$10.0 million in the aggregate, primary occurrence errors and omissions insurance coverage up to \$5.0 million in the aggregate and excess occurrence errors and omissions insurance coverage up to \$5.0 million in the aggregate. There can be no assurance, however, that such insurance will be sufficient or available at a reasonable cost to protect SHPS from liability. To the extent that such insurance is insufficient or unavailable to cover the costs associated with these potential liabilities, SHPS' business or results of operations could be materially adversely affected.

Potential Legal Liability as a Benefits Administrator

As an administrator of benefits, SHPS provides services to employers that are subject to the requirements of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), which may prevent the imposition of liability in state law claims such as malpractice or bad faith. The possibility exists that SHPS could be subject to state law claims for services provided to plans not covered by ERISA and liability for these claims could be substantial. Additionally, there can be no assurance that ERISA will not be further eroded by legal precedent or amended to modify or repeal the current limitations on liability.

As a provider of COBRA compliance and administration services, SHPS is subject to excise taxes for noncompliance with certain provisions of COBRA. Under current federal laws, the maximum amount of such taxes that may be imposed on SHPS in any year for unintentional violations of COBRA is \$2.0 million. In addition to the excise tax liability that may be imposed on SHPS, substantial excise taxes may be imposed on SHPS' customers under COBRA. Under many of SHPS' service agreements, SHPS assumes financial responsibility for the payment of such taxes or penalties assessed against a customer arising out of SHPS' failure to comply with COBRA, unless such taxes or penalties are attributable to the customer's failure to comply with the terms of its agreement with SHPS. In addition to liability for excise taxes for noncompliance with COBRA, SHPS accepts financial responsibility for certain civil and other liabilities incurred by its customers that are attributable to SHPS' failure to fulfill its obligations to its customers under its agreements. These liabilities could, in certain cases, be substantial. There can be no assurance that SHPS will not incur material liability for noncompliance with COBRA or for its failure to comply with its agreement with any customer in the future. Although SHPS maintains errors and omissions insurance coverage and such other coverages as SHPS believes are reasonable, the imposition of such liability on SHPS in excess of any available insurance coverage, or its insurer's interpretation that such liability is not covered under SHPS' insurance policy, could have a material adverse effect on SHPS.

Governmental Regulation

The healthcare and employee benefit industries are subject to extensive and evolving regulation, both at the federal and state levels. The benefit plans administered by SHPS and its Care Management programs are subject to a variety of laws and regulations, including ERISA, COBRA, the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), federal and state confidentiality laws, Medicare as secondary payor laws and regulations, telemedicine laws, the Public Health Service Act, a number of state third party administrative laws, and state laws involving the provision of healthcare services. These laws and regulations are administered by numerous agencies, including the Department of Labor, the Department of Commerce, the Department of Health and Human Services, the Internal Revenue Service (the "IRS") and state insurance and health regulation departments.

Where a patient requires a second opinion, one of SHPS' physician medical directors provides the patient with the names of physicians in the patient's area. The patient selects a physician and SHPS makes an appointment for the patient with the physician, and this physician evaluates the appropriateness of the care being recommended by the patient's attending physician. In doing so, the physician may order designated healthcare services which in turn must be a covered service approved by SHPS for payment. Whether such services are covered benefits is determined by the terms of the customer's benefit plan, not by SHPS. SHPS reviews the terms of its customers' benefit plans, each of which includes a process to determine which healthcare services are covered. If the ordered designated healthcare services are covered under the Medicare or Medicaid programs, the provision of the list of names of physicians or the making of a patient appointment by the medical director could be deemed a referral subject to the prohibitions against referrals to entities performing designated healthcare services in which the referring physician has a financial interest as defined in the Stark I and Stark II statutes, resulting in fines or criminal penalties, which could have a material adverse effect on SHPS.

SHPS' customers, and not SHPS, generally pay the physicians who perform the second opinion and related services, including designated healthcare services. SHPS does not believe that under these circumstances it has a financial relationship in any entity that provides designated healthcare services which are reimbursed under the Medicare or Medicaid programs. Therefore, SHPS does not believe that the Stark II statute impacts referrals made by SHPS' medical directors in these instances.

Occasionally, SHPS may advance payments to physicians, laboratories and x-ray facilities, which may include payment for designated healthcare services, on behalf of SHPS' customers. SHPS' customers reimburse SHPS in total for these advances. These advances may constitute a financial interest as that term is defined in Stark I and in the proposed regulations to the Stark II laws. However, SHPS believes that the advance payments to physicians do not violate the Stark I and Stark II prohibition against referrals, as the advance payments meet the proposed exception for physician services under the proposed Stark II regulations. SHPS also believes that these payments, which are authorized by SHPS' medical director, to laboratories and x-ray facilities do not violate Stark I and the Stark II proposed regulations as these advance payments meet the proposed exception for payments by physicians for items and services under the proposed Stark II regulations. However, there are, to date, no final regulations promulgated under the Stark II statute. To the extent that these actions by the medical directors could later be found to be subject to and in violation of the Stark II statute, the medical directors and SHPS could be subject to fines or criminal penalties, which could have a material adverse effect on SHPS.

Many of these statutes and regulations impact the development of healthcare information services and interstate transmission of medical information and services. Some of the statutes and regulations governing the provision of healthcare services as well as laws relating to telemedicine and corporate practice of medicine doctrines could be construed by regulatory authorities to apply to certain of SHPS' activities. See "-- Risks Relating to Laws Governing Corporate Practice of Medicine." To the extent these statutes and regulations could be deemed applicable to SHPS, SHPS and its employees could be required to obtain additional licenses or registrations or to modify or curtail SHPS' activities, or SHPS could be subject to revocation or suspension of existing licenses or registrations or civil or criminal penalties or fines, currently as high as \$10,000, any of which could have a material adverse effect on SHPS.

Currently, 34 states require licensure or registration of entities deemed to be private utilization review agents. Frequently, these states exempt entities providing services to ERISA plans. SHPS' current clients for these services are primarily but not exclusively ERISA plans. To the extent that SHPS provides services only to ERISA plans in any given state, SHPS may be exempt from these licensure requirements. Although SHPS has voluntarily achieved licensure in the states in which SHPS has determined licensure is required, penalties for failure to achieve licensure in additional states could result in the loss of SHPS' licenses or substantial penalties to SHPS, which could have a material adverse effect on SHPS.

Risks Relating to Laws Governing Corporate Practice of Medicine

The laws of certain states in which SHPS operates or may operate in the future do not permit business corporations to practice medicine or exercise control over physicians who practice medicine. Currently, Arkansas, California, Illinois, Iowa, Kansas, Louisiana, Massachusetts, Michigan, New Mexico, Texas, Virginia, Washington and West Virginia have some form of prohibition against the corporate practice of medicine. Although SHPS does not believe that the services it provides constitute the corporate practice of medicine, a finding that SHPS is engaged in the corporate practice of medicine in any of the foregoing states could result in loss of licensing, the need to develop relationships with physicians licensed in the states having corporate practice of medicine statutes, and civil and criminal fines, which currently range as high as \$10,000, any of which could require SHPS to modify its techniques of doing business, withdraw from certain states or otherwise curtail its activities, and could have a material adverse effect on SHPS.

Risks Relating to Telemedicine

Telemedicine is the practice of performing medical diagnosis and treatment via telecommunications devices. These technologies range from providing clinical advice over the telephone, the transmission of high resolution images (e.g., x-rays, sonograms) and the remote performance of clinical evaluations using interactive teleconferencing. As advanced telecommunications technology has become more widely available, the legal issues associated with telemedicine have become the subject of new legislation. In the past three years, legislation has been introduced to amend licensure laws related to the out of state practice of medicine and consultation. To date, 23 states have introduced or passed bills related to telemedicine, primarily regarding the licensure of out-of-state physicians and the coverage of telemedicine procedures by third party payor plans. Those states are Alabama, Arkansas, Colorado, Connecticut, Florida, Georgia, Hawaii, Illinois, Maryland, Mississippi, Montana, Nebraska, New Hampshire, New Mexico, North Carolina, North Dakota, Ohio, Oregon, Rhode Island, Utah, Virginia, Washington and West Virginia.

Although SHPS does not believe that these laws currently impact SHPS' operations because it does not believe it engages in medical diagnosis or treatment via telecommunication devices, to the extent SHPS' services could be deemed to be telemedicine, SHPS could be subject to liability for licensure violations, violations of third party payor requirements or violations of the laws relating to the confidentiality of patient medical records, any of which could have a material adverse effect on SHPS.

Possible Adverse Effect of National and State Healthcare Reform Proposals

The extent and type of government support for and oversight of the delivery of healthcare services, as well as the extent and type of health insurance benefits that employers are required to provide employees, have been the subject of close scrutiny and debate in recent years, both at the national and state levels, resulting in such legislation as HIPAA. Additional changes in the government programs and regulations, including requirements governing the manner by which services are delivered, and the premiums for services, the reimbursement of fees, benefits

packages, parity for particular health conditions, access to particular types of healthcare providers, or the development of a modified healthcare purchasing system could have a material adverse effect on SHPS.

Reliance on Information Processing Systems and Proprietary Technology

SHPS' business is dependent on its ability to store, retrieve, process and manage significant databases, and to periodically expand and upgrade its information processing capabilities. To facilitate the planned expansion of SHPS' existing services to accommodate its customers' needs and future regulatory requirements, SHPS intends to develop additional proprietary applications software and databases and to use commercially available database management software and computer hardware that are not currently being used by SHPS. Currently, the information processing systems and services of SHSB are provided to SHPS by The Prudential Insurance Company of America ("Prudential") pursuant to a transitional systems support services agreement. Pursuant to this agreement, Prudential is to provide such services through March 31, 1999. SHPS is currently in the process of migrating its information systems from the mainframe platform provided under this agreement to a proprietary, client server platform.

SHPS currently estimates that the cost to migrate from a mainframe platform to a client server platform and to make its computer systems Year 2000 compliant will be approximately \$5.5 million. However, any additional costs incurred in connection with such migration, delay in such migration or in becoming Year 2000 compliant, or the failure of the new systems to adequately support SHPS' operations, could materially adversely affect SHPS' business and financial results. In addition, there can be no assurance that SHPS will be able to incorporate new technology to enhance and develop its existing services.

SHPS' computer equipment and software systems are maintained at SHPS' Arizona, Kentucky, Massachusetts, Nevada and Ohio locations. Interruption or loss of SHPS' information processing capabilities through loss of stored data, breakdown or malfunction of computer equipment and software systems, telecommunications failure or damage to SHPS' systems or the Arizona, Kentucky, Massachusetts, Nevada or Ohio locations caused by fire, hurricane, tornado, flood, lightning, electrical power outage or other disruption could have a material adverse effect on SHPS.

SHPS' business is dependent on its continued use of proprietary software, databases and processing techniques. SHPS attempts to protect its trade secrets and other proprietary information through agreements with customers, employees and consultants. There can be no assurance that these precautions will be adequate to deter misappropriation of SHPS' proprietary software and healthcare information processing techniques.

USE OF PROCEEDS

The Company will not receive any proceeds from the sale of shares.

SELLING SHAREHOLDERS

On December 29, 1998, Sykes issued 1,474,998 shares of common stock to the holders of all of the outstanding stock of Oracle Service networks Corporation ("Oracle") of London, Ontario, Canada. Oracle provides call center operations, including customer support and service applications, primarily to the financial services, telecommunications, and automotive industries, as well as care management services to the healthcare insurance industry. In connection with the business combination between Oracle and Sykes pursuant to a Combination Agreement dated December 9, 1998, the former shareholders of Oracle received 1,474,998 exchangeable shares of Oracle, which are exchangeable for 1,474,998 shares of common stock of Sykes (the "Exchangeable Shares"). Before any sale of shares by this prospectus, the former shareholders of Oracle will exchange exchangeable shares into the shares of common stock that will be sold pursuant to this prospectus. Under the terms of the Registration Rights Agreement dated December 29, 1998 entered into in connection with the business combination between Oracle and Sykes, Sykes agreed to file a registration statement under the Securities Act of 1933 to register the sale of up to two-thirds of the shares of common stock issuable to the former Oracle shareholders, and to keep such registration statement effective until December 29, 1999, or, if earlier, until all of the shares covered by this prospectus have been sold. Accordingly, 983,332 shares of common stock covered by this prospectus are being offered for sale by the former Oracle shareholders.

The following table sets forth certain information concerning the selling shareholders:

	Shares Beneficially Owned Prior to the Offering		Maximum Number of Shares Being Offered	Shares Beneficially Owned After the Offering(1)	
	Number	Percent		Number	Percent
Slemko Investment Corporation(1).....	513,302	*	342,201	171,101	*
Stilco Investments Limited.....	474,804	*	316,536	158,268	*
Hambro Insurance Services Group PLC.....	486,892	*	324,595	324,595	*
Total Shares Offered.....			983,332		

*Less than 1.0%

(1) The selling shareholders may sell from time to time all or a portion of the shares being offered. The amounts shown assume the sale of all the shares being offered by each selling shareholder.

(2) Gerald Slemko, the sole shareholder of Slemko Investment Corporation, served as the Chief Executive Officer of Oracle Service Networks Corporation before its acquisition by Sykes and since.

PLAN OF DISTRIBUTION

The shares offered by this prospectus may be sold from time to time by the selling shareholders until December 29, 1999. Such sales may be made in the over-the-counter market, on the NASDAQ National Market or one or more exchanges, or otherwise at prices and at terms then prevailing or at prices related to the then current market price, or in negotiated transactions, or to one or more underwriters for resale to the public. The shares sold may be sold in one or more of the following ways:

* a block trade in which the broker or dealer so engaged will attempt to sell the shares as agent but may position and resell a portion of the block as principal to facilitate the transaction;

* purchases by a broker or dealer as principal and resale by such broker or dealer for its account pursuant to this prospectus;

* an exchange distribution in accordance with the rules of such exchange;

* ordinary brokerage transactions and transactions in which the broker solicits purchasers; or

* an underwritten public offering.

In effecting sales, brokers or dealers engaged by the selling shareholders may arrange for other brokers or dealers to participate. Brokers or dealers will receive commissions or discounts from the selling shareholders in amounts to be negotiated immediately prior to the sale. Such broker or dealers and any other participating brokers or dealers may be deemed to be "underwriters" within the meaning of the Securities Act of 1933 in connection with such sales. In addition, any securities covered by this prospectus which qualify for sale pursuant to Rule 144 may be

sold under Rule 144 rather than pursuant to this prospectus.

Brokers or dealers may be entitled to indemnification by Sykes and the selling shareholders against certain liabilities, including liabilities under the Securities Act of 1933.

LEGAL MATTERS

The validity of the shares of common stock offered hereby will be passed upon for Sykes by Foley & Lardner, Tampa, Florida. Martin A. Traber, a partner of Foley & Lardner, owns 2,250 shares of Sykes common stock.

EXPERTS

The consolidated financial statements of Sykes Enterprises, Incorporated (Sykes) at December 31, 1998, and for the year then ended, incorporated by reference in the Sykes Annual Report (Form 10-K) for the year ended December 31, 1998, have been audited by Ernst & Young LLP, independent auditors, as set forth in their report thereon incorporated by reference therein and incorporated herein by reference. Such consolidated financial statements are incorporated herein by reference in reliance upon such report given on the authority of such firm as experts in accounting and auditing.

The consolidated financial statements of Sykes Enterprises, Incorporated at December 31, 1996 and 1997, and for each of the two years in the period ended December 31, 1997, incorporated by reference in Sykes Form 10-K for the year ended December 31, 1998, in this registration statement, have been audited by PricewaterhouseCoopers LLP, independent auditors, as set forth in their report thereon incorporated by reference therein. Such consolidated financial statements are incorporated herein by reference in reliance upon such report given on the authority of such firm as experts in accounting and auditing.

WHERE YOU CAN FIND MORE INFORMATION

This prospectus is part of a registration statement we filed with the SEC relating to the shares of common stock offered by this prospectus. This prospectus does not contain all of the information described in the registration statement. For further information, you should refer to the registration statement.

We file annual, quarterly and special reports, proxy statements and other information with the SEC. You may read and copy any document we file at the SEC's public reference room at 450 Fifth Street, N.W., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the operation of the public reference room. Our SEC filings are also available to the public from the SEC's Website at <http://www.sec.gov>.

The SEC allows us to "incorporate by reference" the information we file with them, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is considered to be part of this prospectus, and information that we file later with the SEC automatically will update and supercede this information. We incorporate by reference the documents listed below that we have filed with the SEC and any future filings we will make with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 after the date of this prospectus and before the termination of the offering of the common stock:

1. Annual Report on Form 10-K for the year ended December 31, 1998;
2. Current Report on Form 8-K filed January 12, 1999;
3. Current Report on Form 8-K filed January 21, 1999;
4. Current Report on Form 8-K filed February 3, 1999;
5. Current Report on Form 8-K/A filed March 12, 1999;
6. Proxy Statement dated April 1, 1999, for the 1999 Annual Meeting of Shareholders; and
7. The description of the common stock set forth in the Registration Statement of Form 8-A dated April 19, 1996.

We will provide any of these filings to each person, including any beneficial owner, to whom a prospectus is delivered. You may request these filings at no cost by writing us at 100 N. Tampa Street, Suite 3900, Tampa, Florida 33602, attention Chief Financial Officer, or by telephone at (813) 274-1000.

You should rely only on the information provided in this prospectus or incorporated in this prospectus by reference. We have not authorized anyone else to provide you with different information. This prospectus only may be used where it is legal to sell these securities. You should

not assume that the information in this prospectus is accurate as of any date other than the date on the front of this prospectus.

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No dealer, salesperson or any other person has been authorized to give any information or to make any representation other than those contained in this Prospectus in connection with the offer made by this Prospectus and, if given or made, such information or representation must not be relied upon as having been authorized by the Company, the Selling Shareholders or any underwriter. This Prospectus does not constitute an offer to sell, or a solicitation of any offer to buy, any securities other than the shares of Common Stock offered by this Prospectus, nor does it constitute an offer to sell or a solicitation of an offer to buy such shares of Common Stock in any circumstances in which such offer or solicitation is unlawful. Neither the delivery of this Prospectus nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date hereof or that the information contained herein is correct as of any time subsequent to the date hereof.

983,332 Shares

SYKES ENTERPRISES, INCORPORATED

Common Stock

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May __, 1999

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PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

Item 14. Other Expenses of Issuance and Distribution.

Securities and Exchange Commission filing fee.....	\$ 7,398
Accountants' fees and expenses.....	5,000
Legal fees and expenses.....	10,000
Registrar and Transfer Agent's fees and expenses.....	500
Printing expenses.....	5,000
Miscellaneous.....	2,102

Total.....	\$30,000
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All of the fees, costs and expenses set forth above will be paid by Sykes. Other than the SEC filing fee, all fees and expenses are estimated.

Item 15. Indemnification of Directors and Officers.

The Florida Business Corporation Act (the "Florida Act") permits a Florida corporation to indemnify a present or former director or officer of the corporation (and certain other persons serving at the request of the corporation in related capacities) for liabilities, including legal expenses, arising by reason of service in such capacity if such person shall have acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the corporation, and in any criminal proceeding if such person had no reasonable cause to believe his conduct was unlawful. However, in the case of actions brought by or in the right of the corporation, no indemnification may be made with respect to any matter as to which such director or officer shall have been adjudged liable, except in certain limited circumstances.

Sykes' Articles of Incorporation and Bylaws provide that Sykes shall indemnify directors and executive officers to the fullest extent now or hereafter permitted by the Florida Act. In addition, Sykes may enter into Indemnification Agreements with its directors and executive officers in which Sykes may agree to indemnify such persons to the fullest extent now or hereafter permitted by the Florida Act.

The indemnification provided by the Florida Act and Sykes' Articles of Incorporation and Bylaws is not exclusive of any other rights to which a director or officer may be entitled. The general effect of the foregoing provisions may be to reduce the circumstances which an officer or director may be required to bear the economic burden of the foregoing liabilities and expense.

Sykes has a standard policy of directors' and officers' liability insurance covering directors and officers of the corporation with respect to liabilities incurred as a result of their service in such capacities, which may extend to, among other things, liability arising under the Securities Act of 1933.

Item 16. Exhibits.

Exhibit Number -----	Exhibit Description -----
4.1	Registration Rights Agreement dated December 29, 1998 among Sykes and the shareholders of Oracle Service Networks Corporation.
5.1	Opinion of Foley & Lardner.
23.1	Consent of Foley & Lardner (included in Exhibit 5.1).
23.2	Consent of Ernst & Young LLP.
23.3	Consent of PricewaterhouseCoopers, LLP.
24.1	Power of Attorney relating to subsequent amendments (included on the signature page of this Registration Statement).

Item 17. Undertakings.

Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the Registrant pursuant to the foregoing provisions, or otherwise, the Registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or

controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

The undersigned Registrant hereby undertakes that:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement; and

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

Provided, however, that paragraphs 1(i) and 1(ii) above do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed with or furnished to the Commission by the registrant pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act, each such post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment the securities being registered which remain unsold at the termination of the offering.

(4) For purposes of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of this Registration Statement in reliance upon Rule 430A and contained in a form of prospectus filed by the Registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this Registration Statement as of the time it was declared effective.

(5) For the purposes of determining any liability under the Securities Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(6) The undersigned Registrant hereby undertakes that, for purposes of determining any liability under the Securities Act, each filing of the Registrant's annual report pursuant to Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Securities Act of 1934) that is incorporated by reference in the Registration Statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Tampa, State of Florida, on this 4th day of May, 1999.

SYKES ENTERPRISES, INCORPORATED

By: /s/ Scott J. Bendert

Scott J. Bendert
Senior Vice President-Finance, Treasurer
and Chief Financial Officer

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed below by the following persons in the capacities and on the dates indicated. Each person whose signature appears below constitutes and appoints John H. Sykes and Scott J. Bendert, and each of them individually, his true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this Registration Statement and any and all Registration Statements filed pursuant to Rule 462(b) under the Securities Act of 1933, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in connection therewith, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or either of them, may lawfully do or cause to be done by virtue hereof.

Signature -----	Title -----	Date ----
/s/ John H. Sykes ----- John H. Sykes	Chairman of the Board, Chief Executive Officer and Director (Principal Executive Officer)	May 4, 1999
/s/ Scott J. Bendert ----- Scott J. Bendert	Senior Vice President-Finance, Chief Financial Officer and Treasurer (Principal Financial and Accounting Officer)	May 4, 1999
/s/ Gordon H. Loetz ----- Gordon H. Loetz	Vice Chairman of the Board and Director	May 4, 1999
/s/ Furman P. Bodenheimer, Jr. ----- Furman P. Bodenheimer, Jr.	Director	May 4, 1999
/s/ H. Parks Helms ----- H. Parks Helms	Director	May 4, 1999
/s/ Iain A. Macdonald ----- Iain A. Macdonald	Director	May 4, 1999
/s/ Linda McClintock-Greco ----- Linda McClintock-Greco	Director	May 4, 1999
/s/ Ernest J. Milani ----- Ernest J. Milani	Director	May 4, 1999
/s/ Adelaide A. Sink ----- Adelaide A. Sink	Director	May 4, 1999
/s/ R. James Stroker ----- R. James Stroker	Director	May 4, 1999

EXHIBIT INDEX

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23.3	Consent of PricewaterhouseCoopers, LLP.
24.1	Power of Attorney relating to subsequent amendments (included on the signature page of this Registration Statement).

EXHIBIT 4.1

REGISTRATION RIGHTS AGREEMENT

THIS REGISTRATION RIGHTS AGREEMENT (this "Agreement") dated December 29, 1998, is between SYKES ENTERPRISES, INCORPORATED, a Florida corporation ("Sykes"), STILCO INVESTMENTS LIMITED, an Ontario corporation, SLEMKO INVESTMENT CORPORATION an Ontario corporation, and HAMBRO INSURANCE SERVICES GROUP PLC, an English public limited company (each, a "Seller," and collectively, the "Sellers") of Oracle Service Networks Corporation, an Ontario corporation (the "Company").

WHEREAS, this Agreement is made in connection with acquisition by Sykes of the Company via a reorganization of capital of the Company pursuant to a Combination Agreement dated December 9, 1998 among Sykes, the Company, and the Sellers (the "Combination Agreement");

WHEREAS, to induce the Sellers to enter into the Combination Agreement, Sykes has agreed to provide the Sellers with the registration rights set forth in this Agreement

NOW THEREFORE, in consideration of the foregoing and the respective representations, warranties, covenants, agreements and conditions in this Agreement, the parties agree as follows:

1. DEFINITIONS.

- (a) Closing: The consummation of the transactions contemplated by the Combination Agreement.
- (b) Common Stock: The common stock, par value \$.01 per share, of Sykes.
- (c) Date of Issuance: The Closing Date (as defined in the Combination Agreement).
- (d) Exchangeable Shares: has the meaning set forth in the Combination Agreement).
- (e) Floor Price: The average closing price of the Common Stock for the five trading days preceding the Closing Date.
- (f) Holder: A Seller so long as such Seller owns any Registrable Securities or any exchangeable Shares exchangeable for Registrable Securities and any of such Seller's respective successors and assigns who acquire rights in accordance with this Agreement with respect to Registrable Securities directly or indirectly from such Seller, or from such other successor and assign.
- (g) Registrable Securities: Two-thirds (2/3) of the shares constituting the Subject Common Stock; provided, however, that specific shares of the Subject Common Stock shall not be Registrable Securities if and to the extent that (i) a Registration Statement with respect to such shares of Subject Common Stock shall have been declared effective under the Securities Act and such shares of Subject Common Stock shall have been disposed of in accordance with such Registration Statement, (ii) such shares of Subject Common Stock shall have been distributed to the public in accordance with Rule 144 (or any successor provision) promulgated under the Securities Act and the purchaser thereof does not receive "restricted securities" as defined in Rule 144, or (iii) such shares of Subject Common Stock shall have been otherwise transferred in accordance with the provisions of this Agreement and the Combination Agreement, and new certificates for them not bearing a legend restricting further transfer shall have been delivered by Sykes and subsequent public distribution of them shall not, in the opinion of counsel for Sykes, require registration under the Securities Act.
- (h) Registration Expenses: Any and all reasonable expenses actually incurred incident to performance of or compliance with this Agreement (including without limitation all registration and filing fees, all fees of any national securities exchange or automated quotations system, all fees and expenses of complying with securities or blue sky laws, all word processing, duplicating and printing expenses, messenger and delivery expenses, fees and disbursements of counsel to Sykes and of its independent public accountants) other than (i) underwriting discounts and commissions and transfer taxes, and (ii) expenses of counsel of the Holders incurred with respect to the registration of Registrable Securities.
- (i) Registration Statement: Any registration statement filed by Sykes with the SEC which permits the registration for sale or other transfer of the Registrable Securities (in whole or in part), including the prospectus included therein, all amendments and any supplements to such Registration Statement, including post-effective amendments, all exhibits and all material incorporated by reference in such Registration Statement.
- (j) SEC: The United States Securities and Exchange Commission.
- (k) Securities Act: The Securities Act of 1933, as amended from time to time, or any successor statute, and the rules and regulations of the SEC thereunder, all as in effect at the time.
- (l) Subject Common Stock: The shares of Common Stock issued or issuable to the Sellers upon exchange of the Exchangeable Shares issued to the Sellers pursuant to the Combination Agreement and any additional shares of Common Stock or shares of any other security of Sykes issued in respect of such shares, by way of stock splits, stock dividends, or otherwise.

2. REGISTRATION UNDER THE SECURITIES ACT.

(a) REGISTRATION.

(i) Filing of Registration Statement. Sykes will prepare and file with the SEC a Registration Statement in form and scope sufficient to permit, under the Securities Act and any other applicable United States law and regulations, the Registrable Securities to be registered pursuant to a shelf registration for sale from to time in the open market, privately negotiated transactions or through one or more underwriters selected by Sykes in a firm commitment public offering (the "Demand Registration Statement"). Sykes shall use its best efforts to have the Demand Registration Statement declared effective no later than May 15, 1999, and Sykes shall file with the SEC the Demand Registration Statement by such date as is appropriate to achieve this result; provided, however, that Sykes is not required to have the Demand Registration Statement declared effective before May 15, 1999. In addition, Sykes shall use its best efforts to (i) keep the Demand Registration Statement continuously effective until the first anniversary of the Date of Issuance or, if shorter, until such time as all the Registrable Securities covered by the Demand Registration Statement have been sold pursuant thereto, (ii) prepare and file with the SEC such amendments and supplements to the Registration Statement and the prospectus used in connection with the Registration Statement as may be necessary to comply with the provision of the Securities Act with respect to the disposition of all Registrable Securities covered by the Demand Registration Statement, and (iii) otherwise use its best efforts to comply with applicable rules and regulations of the SEC in connection with the Demand Registration Statement.

(ii) Number of Registrations. Sykes shall be obligated to effect a Demand Registration pursuant to this Section 2(a) only once.

(iii) Registration Statement Form. Registrations under this Section 2(a) shall be on such appropriate registration form of the SEC as shall be selected by Sykes and shall permit the disposition of Registrable Securities by the Holders as contemplated by Section 2(a)(i).

(iv) Expenses. Sykes shall pay all Registration Expenses in connection with the registration pursuant to this Section 2(a). The Holder or Holders shall pay any underwriting discounts and commissions, any transfer taxes, and any expenses of counsel of any Holder or Holders relating to the sale or disposition of such Holder's Registrable Securities pursuant to such Registration Statement.

(v) Effective Registration Statement. A Demand Registration will not be deemed to have been effected unless it has been declared effective by the SEC; provided, however that if a Demand Registration does not become effective solely by reason of any act or omission on the part of the Holder or Holders requesting such Demand Registration, such Demand Registration shall nevertheless fulfill Sykes' obligations under this Section 2(a) to effect a Demand Registration; provided further, however, that if, after it has been declared effective, the offering of Registrable Securities pursuant to such registration is interfered with by a stop order, injunction or other order or requirement of the SEC or any other governmental agency or court, such registration will be deemed not to have become effective or to have been effected.

(vi) Registration Not Required. Notwithstanding the other provisions of Section 2(a), Sykes shall not be required to effect a Demand Registration under this Section 2(a) for Registrable Securities owned by any Holder that did not, by delivering the requisite notice, exercise its right to register such Registrable Securities in a Piggyback Registration when so offered by Sykes under Section 2(b).

(b) PIGGYBACK REGISTRATIONS.

(i) Right to Piggyback. Subject to Sections 2(c) and 2(d) hereof, if at any time prior to the first anniversary of the Date of Issuance, Sykes proposes to file a Registration Statement under the Securities Act with respect to any offering that will close on or after May 15, 1999 (or, if earlier, on or after the date that Sykes publishes the 30-day combined financial results of Sykes and the Company), other than by the Holders, of securities of the same class as the Registrable Securities for its own account or on behalf of any of its security holders (other than (i) a registration on Form S-8 or S-4 or any successor form, (ii) a registration relating to a transaction subject to Rule 145 under the Securities Act, or (iii) any registration of securities as it relates to an offering and sale to management of Sykes pursuant to any employee stock plan or other employee benefit plan arrangement) then, as soon as practicable (but in no event less than twenty (20) days prior to the proposed date of filing such Registration Statement), Sykes shall give written notice (including the proposed offering price or range of offering prices, the type and amount of securities proposed to be registered, proposed distribution arrangements and the name of the managing underwriter) of such proposed filing to the Holders, and such notice shall offer the Holders the opportunity to register such number of Registrable Securities as the Holders may request (a "Piggyback Registration"). Subject to Section 2(d) hereof, Sykes shall include in such Registration Statement all Registrable Securities requested within fifteen (15) days after the receipt of any such notice (which request shall specify the Registrable Securities intended to be disposed of by the Holders to be included in the registration for such offering pursuant to a Piggyback Registration), provided, however, that if, at any time after giving written notice of its intention to register securities of the same class as the Registrable Securities and prior to the effective date of the Registration Statement filed in connection with such registration, Sykes shall determine for any reason not to register or to delay registration of the securities of the same class as the Registrable Securities to be registered for sale by Sykes, Sykes may, at its election, give written notice of such determination to the Holder and, thereupon, (i) in the case of a determination not to register, shall be relieved of its obligation to register any Registrable Securities in connection with such registration (but not from its obligation to pay the Registration Expenses in connection therewith), and (ii) in the case of a determination to delay registering, shall be permitted to delay registering any Registrable Securities.

(ii) Piggyback Expenses. Sykes shall pay all Registration Expenses in connection with the registration pursuant to this Section 2(b). The Holder or Holders shall pay any underwriting discounts and commissions, any transfer taxes, and any expenses of counsel of any Holder or Holders relating to the sale or disposition of such Holder's Registrable Securities pursuant to such Registration Statement.

(c) **UNDERWRITER'S CUTBACK.** Notwithstanding Sections 2(a) and 2(b), if a Demand or Piggyback Registration is an underwritten offering and the managing underwriter or underwriters advise Sykes in writing that in their opinion the number of securities requested to be included in such registration exceeds the number which can be sold in such offering or would be reasonably likely to adversely affect the price or distribution of the securities offered in such offering or the timing thereof, then the securities to be included in such registration shall be the amount of securities, adjusted on a pro rata basis, that, in the opinion of such underwriter or underwriters, can be sold without an adverse effect on the price, timing or distribution of the securities to be included.

(d) **REGISTRATION NOT REQUIRED.** Notwithstanding Sections 2(a) and 2(b), in the event the Holder or Holders request that any of the Registrable Securities covered by this Agreement be sold in an underwritten offering or otherwise request registration pursuant to this Agreement, Sykes shall not be required to take the action required or contemplated herein to accommodate or permit such underwritten offering or other registration of the shares subject to the request if Sykes has provided to the requesting Holders an unqualified opinion of counsel knowledgeable in Securities Act matters to the effect that all of such Registrable Securities may immediately be sold by such Holders in a brokers transaction under Rule 144 during any ninety (90) day period without registration under the Securities Act and applicable state securities laws.

(e) **SELECTION OF UNDERWRITER AND FLOOR PRICE.** Notwithstanding anything in this Agreement to the contrary, Sykes shall have the right, in its sole discretion, to cause the Holders to sell their Registrable Securities in an underwritten public offering (including a Piggyback Registration under Section 2(b)), provided that such offering closes before June 15, 1999. Holders shall not sell Registrable Securities under the Demand Registration Statement until June 15, 1999, provided that Sykes is diligently pursuing an underwritten public offering relating to such Registrable Securities. If any of the Registrable Securities are to be sold in an underwritten offering, Sykes shall have the sole discretion to select the underwriter or underwriters. Sykes and the Holders will take all reasonable steps to cooperate with the underwriter or underwriters so selected to conduct the offering in a manner customary for such underwritten offering, including without limitation entering into an underwriting agreement with such underwriters, subject to the Floor Price and other provisions described in this Section. In the event Registrable Securities are covered by a Registration Statement filed pursuant to Section 2(a) or (b) hereof in an underwritten offering, the Holders shall sell their Registrable Securities (in the case of a Piggyback Registration, to the extent that they have requested to have Registrable Securities included in such registration) in such underwritten offering if the proceeds received per Registrable Security in the underwritten offering (net of any discounts) is equal to or above the Floor Price. Notwithstanding the foregoing, if the closing price of such underwritten offering (net of any discounts) is less than the Floor Price, the Holders may, but shall not be obligated to, sell their Registrable Securities in the underwritten offering.

3. HOLD-BACK AGREEMENTS.

(a) **RESTRICTIONS ON PUBLIC SALE BY THE HOLDERS.** In the event Registrable Securities are covered by a Registration Statement filed pursuant to Section 2 of this Agreement in an underwritten offering, if and to the extent the underwriters of such offering shall request in writing, the Holders agree not to effect any public sale or distribution of the class of securities registered, including a sale pursuant to Rule 144 under the Securities Act, except with the prior written consent of the managing underwriter, during the period beginning on the effective date of such Registration Statement (except pursuant to such Registration Statement) and ending on the earlier of the date that Sykes agrees with the underwriter not to sell the class of securities registered and the date 90 days after such effective date.

(b) **RESTRICTIONS ON PUBLIC SECURITY SALE BY SYKES.** In the event Registrable Securities are covered by a Registration Statement filed pursuant to Section 2 of this Agreement in an underwritten offering, if and to the extent the underwriters of such offering shall request in writing, Sykes agrees not to make any filing to register and agrees not to effect or offer to effect any public sale or distribution of or purchase of the class of securities registered (other than any such sale or distribution of such securities in connection with any transaction subject to Rule 145 under the Securities Act or in connection with offers and sales to employees under employee benefit plans), except with the prior written consent of the managing underwriter, during the period beginning on the effective date of such Registration Statement (except pursuant to such Registration Statement) and ending on the earlier of the date that the Holders who sell under such Registration Statement agree with the underwriter not to sell the class of securities registered and the date 90 days after such effective date.

4. **REGISTRATION PROCEDURES.** Sykes may require the Holders to use their best efforts to furnish to Sykes such information regarding the distribution of the Registrable Securities as Sykes may from time to time reasonably request in writing. Sykes agrees to obtain customary services from its accountants in connection with any offering required by Section 2 of this agreement. Sykes has been informed by PricewaterhouseCoopers, LLP ("PWC") that isolated trades in Sykes Common Stock by members of PWC has caused the SEC to review independence standards governing PWC. As a result of such review or for any other reason, Sykes may elect to use independent accountants other than PWC. Sykes further agrees to (i) furnish Holders for whom shares are registered such number of copies of the Registration Statement, a preliminary prospectus, a final prospectus, a prospectus supplement, and amendments or supplements thereto, if applicable, as such Holders may reasonably request; (ii) enter into customary agreements, including an underwriting agreement (which shall include the indemnification and contribution provisions under Section 5 or similar provisions), and to make customary representations to any underwriters with respect to the registration statement; (iii) make available to any underwriters its offices and records as reasonably requested for the purpose of allowing the underwriters to conduct a customary "due diligence" investigation; (iv) cooperate with the underwriter or underwriters in making any filing or submissions (including information filed therewith) required to be made with the National Association of Securities Dealers, Inc., and (v) cause all Registrable Securities that are registered as described herein to be listed or quoted on the exchange or quotation system on which the Sykes Common Stock is at the time listed or quoted. During periods in which a Registration Statement is effective and during which the Holders must deliver a prospectus to comply with the prospectus delivery requirements of the Securities Act, Sykes agrees (i) to notify each Holder of the occurrence of an event which causes the prospectus or, in the absence of a prospectus, the preliminary prospectus

included in such Registration Statement to contain any untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein not misleading in light of the circumstances in which they were made, and (ii) upon the occurrence of any such event, to supplement or amend such prospectus or preliminary prospectus as soon as reasonably practicable so that such prospectus or preliminary prospectus does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein to make the statements therein not misleading in light of the circumstances in which they were made.

5. INDEMNIFICATION.

(a) Sykes agrees to indemnify, to the extent permitted by law, each Holder of Registrable Securities and (as applicable) its officers, directors, partners, members, agents, and affiliates and each person or entity who controls such Holder (within the meaning of the Securities Act) against all losses, claims, damages, liabilities and expenses, joint or several, to which such Seller or any such director, officer, partner, member, agent, affiliate or controlling person may become subject under the Securities Act or otherwise, including without limitation, the reasonable fees and expenses of legal counsel (including those incurred in connection with any claim for indemnity hereunder), insofar as such losses, claims, damages or liabilities (or actions or proceedings, whether commenced or threatened, in respect thereof) arise of or are based upon any untrue or alleged untrue statement of material fact contained in any Registration Statement, any preliminary prospectus, final prospectus or supplemental prospectus contained therein, or any amendment or supplement thereto, or any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which the statements were made, not misleading, except insofar as the same are caused by or contained in any information furnished in writing to Sykes by such Holder or any of its officers, directors, partners, members, agents, affiliates or controlling persons expressly for use therein or by such Holder's failure to deliver a copy of the registration statement or prospectus or any amendments or supplements thereto after Sykes has furnished such Holder with a sufficient number of copies of the same. In connection with an underwritten offering, Sykes will indemnify such underwriters, their officers and directors and each person or entity who controls such underwriters (within the meaning of the Securities Act) to the same extent as provided above with respect to the indemnification of the Holders of Registrable Securities.

(b) In connection with any Registration Statement in which a Holder is participating, each such Holder will furnish to Sykes in writing such information and affidavits as Sykes reasonably requests for use in connection with any such Registration Statement or prospectus and, to the extent permitted by law, will indemnify Sykes, its officers, directors, partners, members, agents, and affiliates and any entity who controls Sykes (within the meaning of the Securities Act) against any losses, claims, damages, liabilities and expenses, joint or several, to which Sykes or any director, officer, partner, member, agent, affiliate or controlling person of Sykes may become subject under the Securities Act or otherwise, including without limitation, the reasonable fees and expenses of legal counsel (including those incurred in connection with any claim for indemnity hereunder), insofar as such losses, claims, damages or liabilities (or actions or proceedings, whether commenced or threatened, in respect thereof) arise of or are based upon any untrue or alleged untrue statement of material fact contained in any Registration Statement, any preliminary prospectus, final prospectus or supplemental prospectus contained therein, or any amendment or supplement thereto, or any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which the statements were made, not misleading, but only to the extent that such untrue statement or omission is contained in any information or affidavit so furnished in writing by such Holder or its affiliate; provided that the obligation to indemnify will be several, not joint and several, among such Holders and the liability of each such Holder in the event that more than one Holder is liable will be in proportion to and limited to the net amount received by such Holder from the sale of Registrable Securities pursuant to such Registration Statement.

(c) Any person or entity entitled to indemnification hereunder will (i) give prompt written notice to the indemnifying party of any claim with respect to which it seeks indemnification; provided, however, that failure to give such notice will not prejudice such person's or entity's right to indemnification from the indemnifying party, except as to any losses suffered by such person or entity which are attributable to such person's or entity's failure to promptly give such notice to such indemnifying party and (ii) unless in such indemnified party's reasonable judgment a conflict of interest between such indemnified and indemnifying parties may exist with respect to such claim, permit such indemnifying party to assume the defense of such claim with counsel reasonably satisfactory to the indemnified party. The indemnifying party will not be subject to any liability for any settlement made by the indemnified party without its consent (but such consent will not be unreasonably withheld). An indemnifying party who is not entitled to, or elects not to, assume the defense of a claim will not be obligated to pay the fees and expenses of more than one counsel for all parties indemnified by such indemnifying party with respect to such claim, unless in the reasonable judgment of any indemnified party a conflict of interest may exist between such indemnified party and any other of such indemnified parties with respect to such claim.

(d) The indemnification provided for under this Agreement will remain in full force and effect regardless of any investigation made by or on behalf of the indemnified party or any officer, director, partner, agent, member, affiliate or controlling person or entity of such indemnified party and will survive the transfer of securities and the termination of this Agreement. Sykes also agrees to make such provisions as are reasonably requested by any indemnified party for contribution to such party in the event Sykes indemnification is unavailable or unenforceable for any reason.

6. REGULATION S OFFERING. The Sellers agree that none of the Registrable Securities will be offered for sale pursuant to Regulation S (as promulgated by the SEC) without the prior written consent of Sykes.

7. MISCELLANEOUS.

(a) NO INCONSISTENT AGREEMENTS. Sykes has not entered into and will not on or after the date of this Agreement enter into any agreement with respect to the Common Stock which is inconsistent with the rights granted in this Agreement to the Sellers or which otherwise

conflicts with the provisions hereof.

(b) **AMENDMENTS AND WAIVERS.** The provisions of this Agreement, including the provisions of this sentence, may not be amended, modified or supplemented, and waivers or consents to departures from the provisions hereof may not be given, unless (i) Sykes has obtained the written consent of the Holders to such amendment, modification, or supplement or (ii) Sykes has obtained from each Holder a waiver or consent to such departure.

(c) **NOTICES.** All notices, requests, demands and other communications (collectively, "Notices") that are required or may be given under this Agreement shall be in writing. All Notices shall be deemed to have been duly given or made: if by hand, immediately upon delivery; if by telecopier or similar device, immediately upon sending, provided notice is sent on a business day during the hours of 9:00 a.m. and 6:00 p.m. at the location of the party receiving the Notice, but if not, then immediately upon the beginning of the first business day after being sent; if by FedEx, Express Mail or any other reputable overnight delivery service, three business days after being placed in the exclusive custody and control of said courier; and if mailed by certified mail, return receipt requested, ten business days after mailing. Notwithstanding the foregoing, with respect to any Notice given or made by telecopier or similar device, such Notice shall not be effective unless and until (i) the telecopier or similar advice being used prints a written confirmation of the successful completion of such communication by the party sending the Notice, and (ii) a copy of such Notice is deposited in first class mail to the appropriate address for the party to whom the Notice is sent. In addition, notwithstanding the foregoing, a Notice of a change of address by a party hereto shall not be effective until received by the party to whom such Notice of a change of address is sent. All Notices are to be given or made to the parties at the following addresses (or to such other address as either party may designate by Notice in accordance with the provisions of this Section):

(i) if to the Holders, at the address set forth in the Combination Agreement, or at the most current address given by the Holders to Sykes by means of a notice given in accordance with the provisions of this Section 7(c)

(ii) if to Sykes, at the address set forth in the Combination Agreement, or at the most current address given by Sykes to the Sellers by means of a notice given in accordance with the provisions of this Section 7(c).

(d) **COUNTERPARTS.** This Agreement may be executed in any number of counterparts and by the parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

(e) **HEADINGS.** The headings in this Agreement are for convenience of reference only and shall not limit or otherwise affect the meaning hereof.

(f) **GOVERNING LAW.** This Agreement shall be governed by and construed in accordance with the internal laws of the State of Florida.

(g) **SEVERABILITY.** In the event that any one or more of the provisions contained herein, or the application thereof in any circumstance, is held invalid, illegal or unenforceable, the validity, legality and enforceability of any such provision in every other respect and of the remaining provisions contained herein shall not be affected or impaired thereby.

(h) **SUCCESSORS AND ASSIGNS.** All covenants and agreements in this Agreement by or on behalf of any of the parties hereto will bind and inure to the benefit of the respective permitted successors and assigns of the parties hereto whether so expressed or not. In addition, whether or not any express assignment has been made, the provisions of this Agreement which are for the benefit of purchasers or other permitted Holders are also for the benefit of, and enforceable by, any subsequent permitted Holder. The registration rights of the Holders under this Agreement may be transferred to any transferee who lawfully acquires (including without limitation in compliance with the transfer restrictions contained in the Combination Agreement) at least 15,000 shares of the Registrable Securities or Exchangeable Shares exchangeable for 15,000 Registrable Securities; provided, however, that Sykes is given written notice by the Holder at the time of such transfer stating the name and address of the transferee and identifying the securities with respect to which the rights under this Agreement are being assigned; and provided further, that such transferee executes an agreement in writing agreeing to be bound by the provisions of this Agreement.

[signatures begin on next page]

IN WITNESS WHEREOF, the parties have executed this Registration Rights Agreement as of the date written above.

SYKES ENTERPRISES, INCORPORATED

By: /s/ Scott J. Bendert

Scott J. Bendert
Senior Vice President - Finance,
Treasurer and Chief Financial
Officer

SELLERS:

STILCO INVESTMENTS LIMITED

By: /s/

Name:
Title:

SLEMKO INVESTMENT CORPORATION

By: /s/

Name:
Title:

HAMBRO INSURANCE SERVICES GROUP PLC

By: /s/
Name:
Title:

EXHIBIT 5.1

FOLEY & LARDNER
100 North Tampa Street, Suite 2700
Tampa, Florida 33602

May 4, 1999

Sykes Enterprises, Incorporated
100 North Tampa Street, Suite 3900
Tampa, Florida 33602

Re: Registration Statement on Form S-3

Gentlemen:

This opinion is being furnished in connection with the Registration Statement on Form S-3 (the "Registration Statement") of Sykes Enterprises, Incorporated (the "Company") under the Securities Act of 1933, as amended (the "Act"), for the registration of 983,382 shares of common stock, par value \$.01 (the "Shares"). As counsel for the Company, we have examined and are familiar with the Articles of Incorporation and Bylaws of the Company; the proceedings of the Board of Directors of the Company relating to the issuance of the Shares; and such other Company records, documents and matters of law as we have deemed to be pertinent. Based upon our examination of such documents and our familiarity with such proceedings, it is our opinion that:

1. The Company has been duly incorporated and its status is active under the laws of the State of Florida.
2. The Shares are duly authorized, validly issued, fully paid and nonassessable. We hereby consent to the inclusion of this opinion as Exhibit 5 in the Registration Statement and to the reference to this firm under the caption "Legal Matters" in the prospectus. In giving this consent, we do not thereby admit that we come within the category of persons whose consent is required under Section 7 of the Act or the rules or regulations of the Securities and Exchange Commission promulgated thereunder.

FOLEY & LARDNER

*By: /s/ Martin A. Traber
Martin A. Traber*

EXHIBIT 23.2

CONSENT OF INDEPENDENT AUDITORS

We consent to the reference to our firm under the caption "Experts" in the Registration Statement (Form S-3) and related Prospectus of Sykes Enterprises, Incorporated (Sykes) for the registration of 983,332 shares of its common stock and to the incorporation by reference therein of our report dated March 5, 1999, with respect to the consolidated financial statements of Sykes incorporated by reference in its Annual Report (Form 10-K) for the year ended December 31, 1998, and the related financial statement schedule included therein, filed with the Securities and Exchange Commission.

Ernst & Young LLP

Tampa, Florida
May 4, 1999

EXHIBIT 23.3

CONSENT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

We consent to the incorporation by reference in this Registration Statement of Sykes Enterprises, Incorporated and subsidiaries on Form S-3 of our report dated March 6, 1998 on our audits of the consolidated financial statements of Sykes Enterprises, Incorporated and subsidiaries as of December 31, 1997, and for the years ended December 31, 1996 and 1997, which report is incorporated by reference in Sykes Enterprises, Incorporated and subsidiaries' 1998 Annual Report on Form 10-K. We also consent to the reference to our firm under the caption "Experts."

PricewaterhouseCoopers LLP

Tampa, Florida

May 4, 1999

End of Filing

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